

FOR IMMEDIATE RELEASE
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GOVERNOR BARBOUR SIGNS BILL TO AID SMALL BUSINESS

(Jackson, Mississippi) -- Legislation signed by Governor Haley Barbour will allow more small and mid-sized businesses to qualify for GO Zone tax-exempt bond financing as they build new facilities or expand in Mississippi.

The legislation, House Bill 1390, became effective when Governor Barbour signed it on March 26, 2007. It changes the Small Enterprise Development Finance Program (SED) so that more small-to-mid-sized businesses can qualify for low-interest loans of between \$350,000 and \$4 million to finance the construction and renovation of buildings or the purchase of new equipment. Prior to this change, only manufacturing and industrial projects were eligible; now, under the SED Program, most commercial businesses, including retail development and service related businesses, may qualify for tax-exempt financing.

“The job-creation potential of this new law is significant because it extends advantages of the GO Zone program to retail and service-related businesses,” Governor Barbour said. “The combination of lower than market interest rates, a fixed term and state tax incentives will make this an attractive financing option for many businesses locating or expanding within the GO Zone.”

The new law seeks to boost commercial development under terms of the federal Gulf Opportunity Zone Act of 2005, which offers special rebuilding and recovery assistance in the 49 counties in Mississippi most impacted by Hurricane Katrina.

The SED program is administered by the Mississippi Business Finance Corporation (MBFC), a public, non-profit corporation whose mission is to strengthen economic development in Mississippi by providing attractive financing options to business and industry. MBFC works in cooperation with financial institutions, the Mississippi Development Authority and economic development entities statewide. In 2006, MBFC was named by Governor Barbour as the state’s issuer of GO Zone Bonds for commercial development in the 49 counties designated under the Gulf Opportunity Zone Act of 2005

For more information, visit www.msbusinessfinance.com or contact MBFC at 601.355.6232.

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